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STAFF MEMORANDUM NO. 139

SUBJECT: Recent Developments in Czechoslovakia

l. On 6 and 7 September, the Czechoslovak communist regime announced that it had reshuffled its top level leadership. Simultaneously it carried out a major reorganization of the Party and the governmental machinery. This shakeup seems to be designed to consoliodate Party control over the state's administration of political and economic affairs in order to assimilate further Czechoslovakia with the USSR and to prepare for better economic exploitation of Czechoslovak industrial production by the USSR.

- 2. The hitherto all-important post of Secretary General, held by Slansky, has been suspended together with the positions of Deputy Secretaries. The function of this office has been transferred to Party Chairman Gottwald, who, however, must share his responsibilities with a newly created Political Secretariat, Czechoslovakia's first Politbureau since 1945. The seven members are President Gottwald, Premier Zapotocky (boss of all trade unions), Foreign Minister Siroky, Defense Minister Cepicka (who is rising as Slansky is falling), State Planning Chairman Dolansky, the head of the new Ministry of State Control Bacilek, and Slansky, who became one of the Vice Premiers. Furthermore, the Central Committee of the Party was trimmed down from 30 to 22 members; among those dropped are Moscow stalwarts like Geminder who will probably continue his work for the Cominform covertly.
- 3. Following the pattern of other Satellites, a Ministry of State Control was created, ostensibly for the purpose of supervising closely all branches of the nation's economy but undoubtedly also for the purpose of looking into the entire administrative apparatus. The Ministry will have the power to correct shortcomings and to punish delinquents. The Ministry of Heavy Industry was replaced by five new ministries, each responsible for specialized branches of heavy industry, thereby following the pattern of the Soviet Government. Through abolition of general,



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central and regional economic directorates and elimination of separate audit control in Slovakia, the regime expects more than a third of its lower grade white collar workers to be relieved and sent to the factories. The Ministry of Labor and Welfare became a Ministry of Manpower. The lack of manpower in industry and mining has for some time been so pressing that laws protecting women from heavy labor have been rescinded, mining included.

part in this shakeup. Neither the decline in power of Slansky nor the temporary political demise of such loyal aremain servants as deminder should be construed as a victory of the "nationalist" Czechs under Gottwald over the "internationalists" led by the Slansky-Geminder faction. There is little doubt, however, that the Slansky clique was extremely unpopular throughout the country; it is also possible that Gottwald and Slansky did not agree on methods and that only Moscow's support had kept Slansky and his clique in power. While there is no positive evidence that the Kremlin was dissatisfied with the contractual fulfillment of deliveries at the present time, it may have feared that planned increases of production could not be attained without a reorganization. As a result, Moscow may have permitted the removal of some of its more fervent servants for the sake of general efficiency.

5. Since it is improbable that the danger of "Titoism" has caused this reorganization, its main objectives have probably been the establishment of (a) centralized control over the Czechoslovak economy to step up production in accordance with increasing Soviet demands, and (b) Party control over the entire administrative apparatus by merging top level Party and government positions.

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SECTION



- 7. An early unilateral treaty, even accompanied by troop withdrawal, would not necessarily place the USSR under compulsion to conclude a mutual assistance pact with East Germany. The preponderance of Soviet military strength should be sufficient guarantee against a Western or West German attack of East Germany for some time to come. Furthermore, the USSR, realizing that the struggle for Germany will always entail grave risk of global war, may wish to avoid a formal military commitment. In this connection, it should be remembered that although East Germany has concluded a series of treaties with the Satellites, it has not entered into mutual assistance pacts with any of them.
- 8. Although the early conclusion of a unilateral treaty could theoretically be a step in preparation for an attack on West Germany by a "sovereign and independent" East Germany, the Foreign Linisters Declaration of 1950, the presence of Allied occupation forces, UN action in Korea, and the current unreadiness of the East German Alert Police for independent action should deter the USSR from this particular course of action.

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